

The Rise of Social Entrepreneurship in the Black Community of Montreal

Focus on the English Speaking Black
Community

Entrepreneurship

- Entrepreneurship is the process by which social and economic change takes place in the sense of moving from some position of local equilibrium to another, hopefully preferable, maximum
- Entrepreneurship is the work of the entrepreneur
- The entrepreneur is not necessarily a single person with special qualities but may be a group, a network of organizations.

A social entrepreneur

- A social entrepreneur is someone or group or network, or community of persons who use entrepreneurial principles to organize, reconstruct, create new ways to bring about change to make improvements to society and significant numbers of its members, and sustain life and the environment that supports it.

Entrepreneurial Principles

The principles are perhaps best defined as the spirit of entrepreneurship, normally considered as the willingness to take responsibility for the inherent risk involved undertaking new ventures or finding new ways to solve very difficult problems; resilience and persistence; commitment to the cause or mission; leadership, ingenuity.

Schools of Social Entrepreneurship

- Two schools of social entrepreneurship in North America
- The social enterprise School
- The social innovation school
- Convergence between these two school started about ten years ago, large due to commonality of purpose, innovation principle, accountability, principles of social cohesion
- This paper falls more in the social innovation school of thought.

Problem of Definition

- Social entrepreneurship is plagued by a multiplicity of definitions.
- In most cases the definition so limiting as to make it difficult to find exemplars in real life.
- Drawing on the Schumpeterian model, most definitions describe the social entrepreneur as a pattern breaking change agent, committed to solving social problems of an intractable nature, replacing entire systems and ways of life with improved systems, then moving on to find even better ways and outcomes. Indeed a social superman.
- The superman concept has been queried and found wanting: not consistent with the realities of the real world.

Baumol's

- Baumol states that notwithstanding the importance of the entrepreneur in the market oriented capitalist economy, the entrepreneur has disappeared from the modern theory of production and distribution.
- Because the modern theory of production and distribution is about Walrasian equilibrium, a state arrived at after the entrepreneur has gone on in search of higher peaks of fitness, new and presumably better goods, services , and greater net profits
- In a sense modern economic theory of production and distribution cannot explain entrepreneurship

Entrepreneurship and innovation

- By definition entrepreneurship is linked to innovation.
- As such it applies to the social sector as well as the private sector
- What distinguishes one from the other is the purposes to which it is put or directed
- The Social entrepreneur may use private sector market strategies to generate the means to acquire resources to solve difficult social problems.

The Golliath Partnership

- Baumol argues that the entrepreneurs need not be a single superman but a partnership between the innovator(a small firm) and a large firm with huge R & D resources that can finance the development of the idea into new products that transform our life styles.
- In the social sector the same phenomenon is observed in terms of the role that governments sometimes play; in the area of health research, and the sciences.
- The size of the ultimate impact of the initial innovation is not necessarily dependent on intensity of that first break through, rather its predicated on the principle of redundancy in complex adaptive systems , and the principle of sensitivity to the initial condition or the existence of the butterfly effect.

What motivates Entrepreneurship

- Baumol argues that what motivates entrepreneurship in the private market is the competition for survival in the market between oligopolistic firms.
- He compares the rivalry to an arms race. The firms must continuously search for innovations to bring new goods to the market in order to survive.
- This is where we find the entrepreneur.

What motivates the Social Entrepreneur

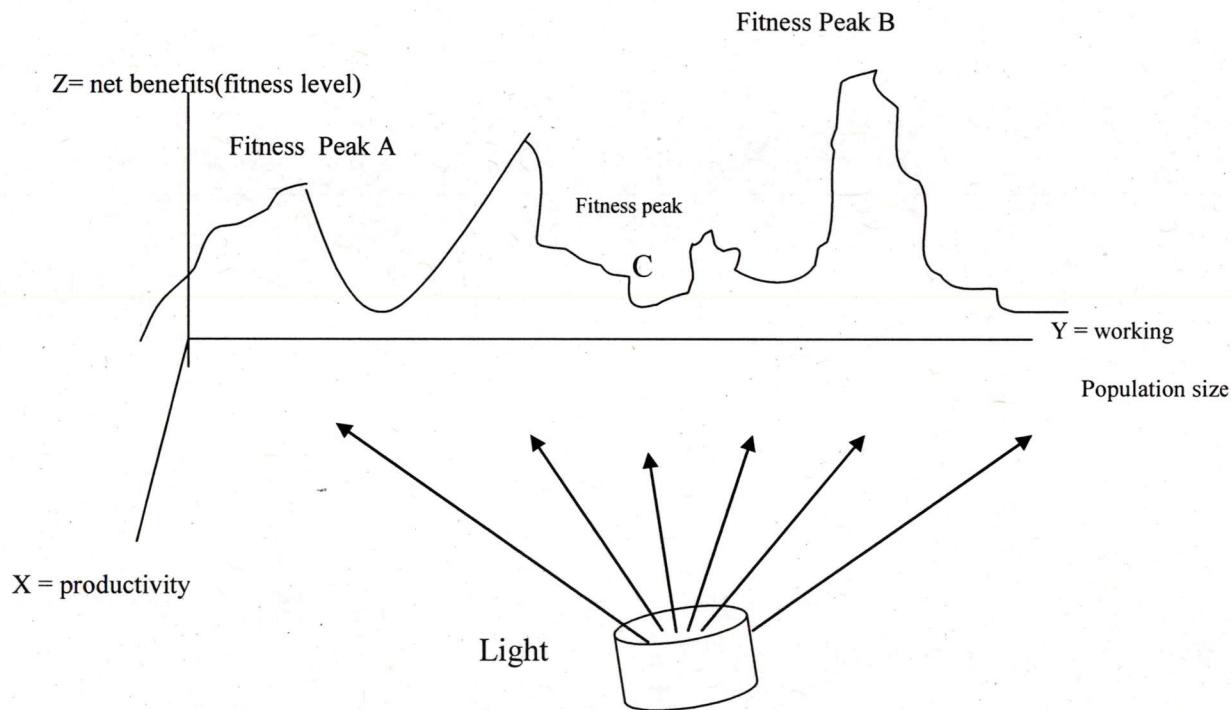
- The reproductive impulse of life
- The desire to improve the quality of life
- The dependence of life and the quality of life on an environment that is complex and changing
- The need to adapt to changes in that environment which in and of itself can be affected in a negative or positive manner by our production, consumption and adaptation choices

Social optimization

- We can compare the social optimization process to searches in a fitness landscape.: a set of search decision rules(SDR)
- The fitness landscape is conceived of as ranges of mountains. The peaks of the mountains represent high fitness. The valleys represent low fitness.
- Populations with high ingenuity and entrepreneurial spirit may be able to climb to the top of the local fitness peak.
- Populations with low ingenuity and a low entrepreneurial spirit may not be able to reach the top fitness level or may stagnate on one peak.
- Movement away from one fitness peak could result in the lowering of the fitness of the entire population/species.

The Fitness Landscape

Diagram 1: Fitness contour



Simplification

- A simplification of the landscape in three variables:
- Y: Working population
- X: Productivity of working population
- $Z = F(X, Y)$ A measure of fitness level
- Z could be a social cohesion index represented as an area on the fitness surface defined by $F(X, Y)$ for some X and Y
- The choice of X and Y is determined by very complex search decision rules
- A high $F(X, Y)$ indicates that decisions about combinations of X and Y are good.
- The surface may be the result of complex interactions between X, Y, and Z itself.

Difficulties

- Population not a homogeneous variable over time.
- Capacity to solve problems fluctuate over time and may decline at a nonlinear rate compared to an exponential increase in problems (Homer-Dixon “Ingenuity Gap”) affecting the population.
- Increases in population may generate of new ideas and improve communication, but resultant increases in technology may increase the complexities of society faster than society can create the ingenuity to solve these problems. The gap that develops can reduce SDR to a random guessing exercise with no prior predictable outcomes (Homer_Dixon).
- Population may consist of many subgroups with conflicting agendas, values, traditions. Some groups may act to exclude or even eliminate others.

Instability

- Even in our grossly simplified model we can see that the system is subject to instability because of the non-homogeneous nature of the population variable, potential for conflict between subgroups, increasing complexity of the society as technology increases, the limits of the population capacity for problem solving in the face of rapid increases in social and technical complexity of society
- Barriers to entry : freedom of access constitutes a major destabilizing problem

Black Immigrants and the Canadian Fitness Landscape

- In 1960 the number of Blacks living in Montreal were 6000, almost all English speaking
- By census 2001 the number of Blacks numbered 147 000, approximately 50 000 English speaking from the Caribbean countries and 70 000 Haitians and other French speaking Blacks
- Black immigrants faced a hostile fitness landscape
- In social terms exclusions from the host society, benevolent neglect(Robin Winks)
- The colour line: Barriers to better jobs, housing, quality basic education for young Blacks
- Low expectations

The Bottom of the Totem Pole

- If Canadian society was like a totem with all things British at the top and all other Europeans graded and fitted into the middle, then Blacks, the First Nations, Asians were at the bottom: in the valleys and foothills of the fitness landscape.
- The Vertical Mosaic existed as an experiment in Nation building
- Blacks not only entered Canada in large numbers at the bottom of the Totem, but in Quebec they came at a time when Quebec was being redefined by the French as being a society that was all French.
- Bill 101 was to make French the official language in Quebec in all aspects of life. English speaking Blacks from the Caribbean saw this as living through Colonialism twice in their lifetime.

The Social Entrepreneurial Response: phase I

- The early social entrepreneurial response to the conditions presented to Blacks was triggered by the pervasive nature of the colour line; racism; and the search for identity within the larger society.
- Between 1960 and the mid seventies a large number of new dynamic organizations were created based on island or country of origin representing the various subcultures in the Black English speaking population
- They provided emotional safety for their members; a sense of cultural values and practices; and a connection with their countries of origin
- They waved their own flags and rivaled each other

The Social Entrepreneurial Response: Phase II

- The success of decolonialization of Africa and the Caribbean
- The rise of Black Power in the United States
- The redefining of “coloured people” as Black, a statement of rebirth and unity
- Gave new meaning to the solidarity movements as a common struggle of all Blacks where ever they were.
- The Island Associations came under severe criticism as divisive, and fracturing the collective movement for equality and justice for all Blacks.

The Pan-African

- A new leadership emerged in the mid and late sixties with the mission to represent all Blacks in Quebec, and Canada.
- The National Coalition of Canada was created in 1968 bringing Black leaders from across the Country to address the problems of Blacks. It was organized by Quebec Black English speaking leadership
- This conference called on Canadians to re-examine the Mosaic and make it more reflective of Canadian diversity.
- The conference called on all levels of government to hire more qualified Blacks in the civil service, and take action against racism in the private and public sector.
- By 1972 the Black Community Council of Quebec was created to fight against racism, promote Black community self development, and employability.

Specialist Black Organizations

- Early seventies to the end of the eighties a stream of new Black organizations specializing in specific problems: education, family services, arts and culture, research, business start-ups, health care
- Regional organizations were created by the Black Community Council to provide forums on a regional basis for the discussion of problems of each region and to stimulate broad based involvement in the search for solutions.
- They also acted as a communication network for the sharing of knowledge and experience

The Val Morin Conference of July 1992

- A major move to reduce rivalry and to become more mission based and strategic in addressing problem faced by the community
- Mandates given to certain agencies
- Creation of the Black Community Resource a strategic move to address problems in a more holistic way.

Short List of Organizations

- The Black Studies Center
- The Quebec Board of Black Educators
- The Black Theatre Workshop of Montreal
- The Montreal Association of Black Businesses and Professionals
- The Quebec Black Medical Association
- The Black Community Resource Center of Montreal
- The Garvey Institute
- The Community Contact
- The Afro-Canadian
- Le league de Noir du Quebec

Key Issues addressed by the New Organizations

- Persistent work over thirty to forty years challenging and engaging the government and private sector to commit to the reduction of discrimination in the labour force
- Addressing structural economic weaknesses in the Black Communities: Working in collaboration with provincial Government to create a long term strategy to help Blacks start and sustain successful businesses.
- Working with school Boards and parents to reduce the drop out rates among Black Youth
- Creating a net work of support for Black families and Black Organizations
- The promotion of Black Culture and the arts through theatre, dance, and festival.
- Facilitating the full participation of Blacks in Quebec society